tru cooperative bank

ADDITIONAL PROVISIONS FOR
1 Year Open Fixed Rate Mortgage

1. EFFECT ON STANDARD TERMS:

These Additional Provisions form part of the Mortgage. In the event of any inconsistency or conflict between these Additional Provisions, the Commitment Letter, the Mortgage (other than these Additional Provisions and the Standard Charge/ Mortgage Terms), and the Standard Charge/ Mortgage Terms, the provisions of these documents shall apply in the following order of precedence to resolve the inconsistency or conflict: (i) the Commitment Letter; (ii) the Additional Provisions; (iii) the Mortgage; and (iv) the Standard Charge/Mortgage Terms.

2. CAPITALIZED TERMS:

All capitalized terms used but not otherwise defined in these Additional Provisions have the respective meanings ascribed to such terms in the Standard Charge/ Mortgage Terms.

3. INTEREST RATE:

We will charge you interest on the outstanding balance of your Mortgage at the Interest Rate from the Advance Date to the Interest Adjustment Date.

Starting on the Interest Adjustment Date, interest at the Interest Rate is compounded semi-annually, not in advance. For this purpose, we calculate interest for each payment period using a factor that is based on the Annual Interest Rate, compounded semi-annually. Interest is payable on the payment frequency selected by you (for example monthly). You promise to pay interest at the Interest Rate in effect at the time and as calculated above, on the outstanding balance of your Mortgage until paid in full.

Compound Interest - If you do not pay interest when it is due, we will add the overdue interest to the outstanding balance of the Mortgage, and charge you interest on the combined amount until it is paid. This is called Compound Interest. We calculate Compound Interest at the current Annual Interest Rate in effect at the time. You promise to pay Compound Interest at the same frequency as the Regularly Scheduled Payments until the outstanding balance of the Mortgage, and any unpaid interest, is paid in full.

Interest at the Interest Rate will accrue and will be compounded in the same manner and is payable whether before or after default as well as prior to and after the Maturity Date on any Principal Amounts and on any unpaid interest outstanding from time to time. Interest whether before or after default as well as prior to and after the Maturity Date will accrue at the same rate as during the Term.

4. REGULARLY SCHEDULED PAYMENTS:

The Regularly Scheduled Payment is the amount of each payment indicated in the Loan Agreement that will be paid on a consistent frequency (ie., weekly, biweekly, semi-monthly, or monthly).

Refer to the Payment Provisions in the Registered Mortgage.

All mortgage payments must be made by pre-authorized debit from an account held at a financial institution we approve. The account must be in the name of the Borrower(s) and/or Guarantor(s).

Any prepayments made by you will not affect your Regularly Scheduled Payments but will shorten your Amortization Period and will change the composition of interest and Principal in your Regularly Scheduled Payments.

5. PREPAYMENT PROVISIONS:

You may make prepay all or any part of the Mortgage at any time without paying a prepayment charge.

6. EARLY PAYOUT PROVISIONS:

You may payout the entire outstanding balance of the Mortgage at any time. There is no Early Payout Penalty charged for using this privilege, provided you are not in default under the terms of the Mortgage.

7. CONVERTIBILITY:

____ ____ ____ ____ ____
Borrower(s)/ Guarantor(s) Initials

This Mortgage is not convertible.

8. RENEWAL:

The outstanding balance of the Mortgage is due and payable on the Maturity Date; however, we may offer to renew it prior to the Maturity Date. If we have sent you a Renewal Agreement (in advance of the Maturity Date), and:

i. If you accept the Renewal Agreement:
All the features and benefits of the existing Mortgage are amended upon renewal, and you will adopt the features and benefits of the new Mortgage.

ii. If you fail to either accept or decline the Renewal Agreement, and do not pay out the Mortgage on the Maturity Date:
   a. **The Mortgage will automatically renew into a 1 year Fixed Rate open term Mortgage on the Maturity Date.**
   b. If you choose to pay out the outstanding balance of your 1 year Fixed Rate open term Mortgage during the renewal term, you will not be subject to the Early Payout Penalty.

You may not renew your Mortgage prior to the end of your Term. However, if you wish to switch to a new Tru Cooperative Bank Term prior to the Maturity Date, you can do so upon payment of any penalties or fees associated with Early Payouts..

9. ASSUMABILITY:

This Mortgage is not assumable, unless otherwise required by applicable law in which case the assumption will be subject to satisfying any conditions that we may require.

10. PORTABILITY:

This Mortgage is portable subject to Tru Cooperative Bank's consent. For details, refer to the Standard Charge/ Mortgage Terms.

11. SKIP-A-PAYMENT:

This Mortgage does not permit skip-a-payment.

12. ASSIGNMENT BY Tru Cooperative Bank:

Without the consent of, and without notice to, the Borrowers and Guarantors, and without affecting the Obligations of the Borrowers and Guarantors under this Mortgage, Tru Cooperative Bank may assign, transfer, sell, pledge or convey this Commitment Letter (prior to and after any Advances), this Mortgage, or any portion of this Mortgage to any third party ("Third Party") in relation to a sale, securitization, financing, pledging or security arrangement. The Borrowers and Guarantors agree, and for this purpose grant Tru Cooperative Bank an irrevocable power of attorney coupled with an interest, to execute and register in any applicable land titles or registry office any and all documentation, notices and agreements required to evidence or perfect any assignment, transfer, sale, pledge, conveyance or security arrangement pursuant to this Section. On any notice of an assignment, transfer, sale, pledge, conveyance or security arrangement pursuant to this Section from Tru Cooperative Bank or from a Third Party (as consented to by Tru Cooperative Bank), the Borrowers and Guarantors shall make all payments due under this Mortgage to such Third Party as mortgagee hereunder.

I hereby acknowledge receipt of these Additional Provisions

Name	**Signature**	**Date**
Name	**Signature**	**Date**
Name	**Signature**	**Date**

____ ____ ____ ____ ____
Borrower(s)/ Guarantor(s) Initials

Name	Signature	Date

Name	Signature	Date